Proposed Methodology for Submarine Cable Regulatory Fees

2008 International Bearer Circuit Fee Requirement		\$8,149,636
	Circuits	Fee
Satellite Circuits a/o 12/06	14,346	\$13,342
Terrestrial Circuits a/o 12/06	1,072,897	\$997,794
Subtotal Satellite & Terrestrial		\$1,011,136
Revenue Requirement for Submarine Cables		\$7,138,500

Stage I: Calculate Capped Fee for Each Cable (Total Available 64kbps Capacity Times Per-Circuit Fee)

Submarine Cables in Service as of 2008*	Circuits	Capped Fee
Antillas 1	15,120	\$14,062
Columbus II	15,120	\$14,062
NPC	17,010	\$15,819
Americas I	22,680	\$21,092
BAHAMAS II	30,240	\$28,123
SMPR-1	30,240	\$28,123
Taino-Carb	45,360	\$42,185
Pan American Cable System	60,480	\$56,246
CANTAT-3	60,480	\$56,246
CANUS-1	60,480	\$56,246
MAYA -1	90,720	\$84,370
Columbus III	120,960	\$112,493
Guam-Philippines	120,960	\$112,493
Gemini Bermuda System	241,920	\$224,986
TPC 5	241,920	\$224,986
Bahamas Internet Cable Network	362,880	\$337,478
Global Caribbean Network (GCN)	362,880	\$337,478
TAT-12/TAT-13	362,880	\$337,478
Americas II	604,800	
PAC	604,800	
ARCOS-1	604,800	\$562,464
GlobeNet	967,680	\$899,942
Emergia Cable System (former SAm-1)	967,680	\$899,942
China-U.S. Cable Network	967,680	\$899,942
Australia-Japan Cable (Guam)	967,680	\$899,942
Sydney-Hawaii Cable System	967,680	\$899,942
CFX-1 Cable System	1,209,600	\$1,124,928
AmeriCan-1	1,926,409	\$1,791,560
PC-1	2,177,280	\$2,024,870
MAC	2,419,200	\$2,249,856
Southern Cross	2,903,040	\$2,699,827
SAC	3,144,960	\$2,924,813
Level 3	3,870,720	\$3,599,770
Hibernia Atlantic	4,354,560	
AC-2	4,838,400	\$4,499,712
TGN- Atlantic	5,564,160	\$5,174,669
Asia America Gateway (AAG)	5,806,080	
Atlantic Crossing (AC-1)	7,680,960	
TAT-14	7,741,440	
FLAG Atlantic - 1	12,821,760	
Apollo Cable	15,482,880	
Japan-U.S. Cable Network	15,482,880	
Trans-Pacific Express (TPE)	15,482,880	
TGN - Pacific	22,740,480	\$21,148,646

^{*}Source: 2006 FCC Section 43.82 Circuit Status Report

Proposed Methodology for Submarine Cable Regulatory Fees

Stage II: Calculate Initial System Fee (Revenue Requirement for Submarine Cables Divided by Total Number of Cables)

Revenue Requirement for Submarine Cables	\$7,138,500
Total Number of Submarine Cables*	44
Fee per System	\$162,239

^{*}Source: 2006 FCC Section 43.82 Circuit Status Report

Proposed Methodology for Submarine Cable Regulatory Fees

Stage III: Calculate Final System Fee

- 1. Cables with capped fees below initial system fee pay capped amounts
- 2. Deduct total fees paid in capped amounts from revenue requirement for submarine cables
- 3. Divide result by number of remaining cables
- 4. Repeat Stage III if additional cables have capped fees below level of final system fee

Cables Subject to Capped Fees	Circuits	Capped Fee
Antillas 1	15,120	\$14,062
Columbus II	15,120	
NPC	17,010	
Americas I	22,680	
BAHAMAS II	30,240	
SMPR-1	30,240	
Taino-Carb	45,360	\$42,185
Pan American Cable System	60,480	\$56,246
CANTAT-3	60,480	
CANUS-1	60,480	\$56,246
MAYA -1	90,720	\$84,370
Columbus III	120,960	
Guam-Philippines	120,960	\$112,493
Capped Systems SubTotal		\$641,561
Balance Due		\$6,496,940

Cables Subject to Final System Fee	Circuits	System Fee
Gemini Bermuda System	241,920	\$209,579
TPC 5	241,920	
Bahamas Internet Cable Network	362,880	
Global Caribbean Network (GCN)	362,880	\$209,579
TAT-12/TAT-13	362,880	
Americas II	604,800	
PAC	604,800	
ARCOS-1	604,800	
GlobeNet	967,680	
Emergia Cable System (former SAm-1)	967,680	
China-U.S. Cable Network	967,680	
Australia-Japan Cable (Guam)	967,680	
Sydney-Hawaii Cable System	967,680	
CFX-1 Cable System	1,209,600	
AmeriCan-1	1,926,409	
PC-1	2,177,280	
MAC	2,419,200	
Southern Cross	2,903,040	
SAC	3,144,960	
Level 3	3,870,720	
Hibernia Atlantic	4,354,560	
AC-2	4,838,400	
TGN- Atlantic	5,564,160	
Asia America Gateway (AAG)	5,806,080	
Atlantic Crossing (AC-1)	7,680,960	
TAT-14	7,741,440	
FLAG Atlantic - 1	12,821,760	
Apollo Cable	15,482,880	
Japan-U.S. Cable Network	15,482,880	
Trans-Pacific Express (TPE)	15,482,880	
TGN - Pacific	22,740,480	
System Fee Subtotal		\$6,496,940